

Cochise Regional Hospital

Presentation to Cochise County Board of Supervisors
March 25, 2015

Introduction

On Behalf of PCH and CRH, we Appreciate the Opportunity to Share the Successes and Ongoing Challenges



Our Goals Today

1. Provide the Board of Supervisors with a comprehensive update on the progress, challenges, and outlook for Cochise Regional Hospital from 2014 to present.
2. Share our vision for innovation that is achieving tangible results and positive experiences with the citizens of Douglas, AZ and Cochise County.
3. Confirm the intent to meet or exceed expectations set forth by Cochise County in regard to the operation of the hospital.
4. Answer any questions and address any potential concerns of the BOS in regard to the hospital, the lease, and long-term plans.
5. Establish a concise plan for ongoing communication and transparency with the BOS and Cochise County.

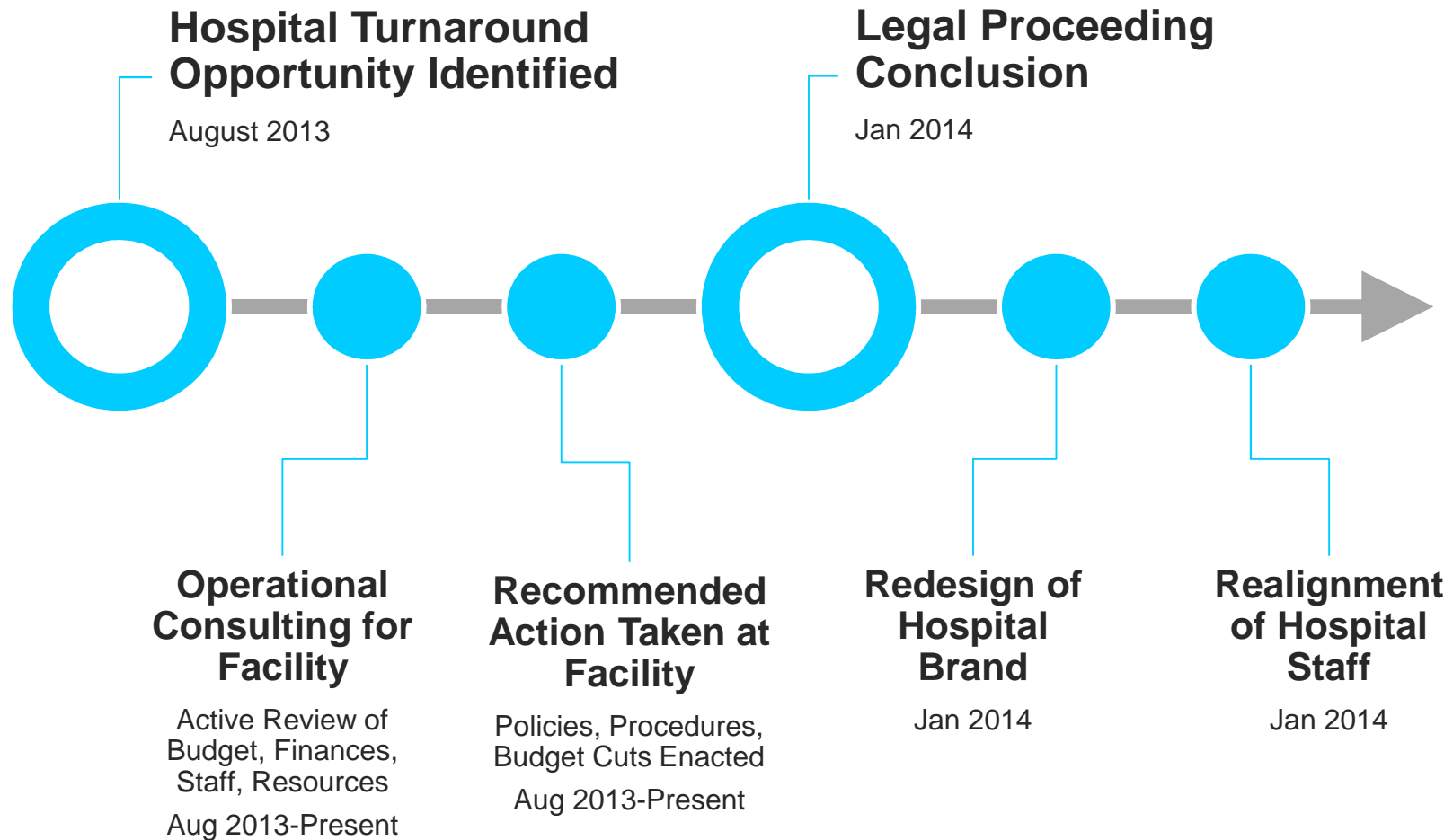
Overview

Brief Timeline to Provide Perspective on Progress Made to Date



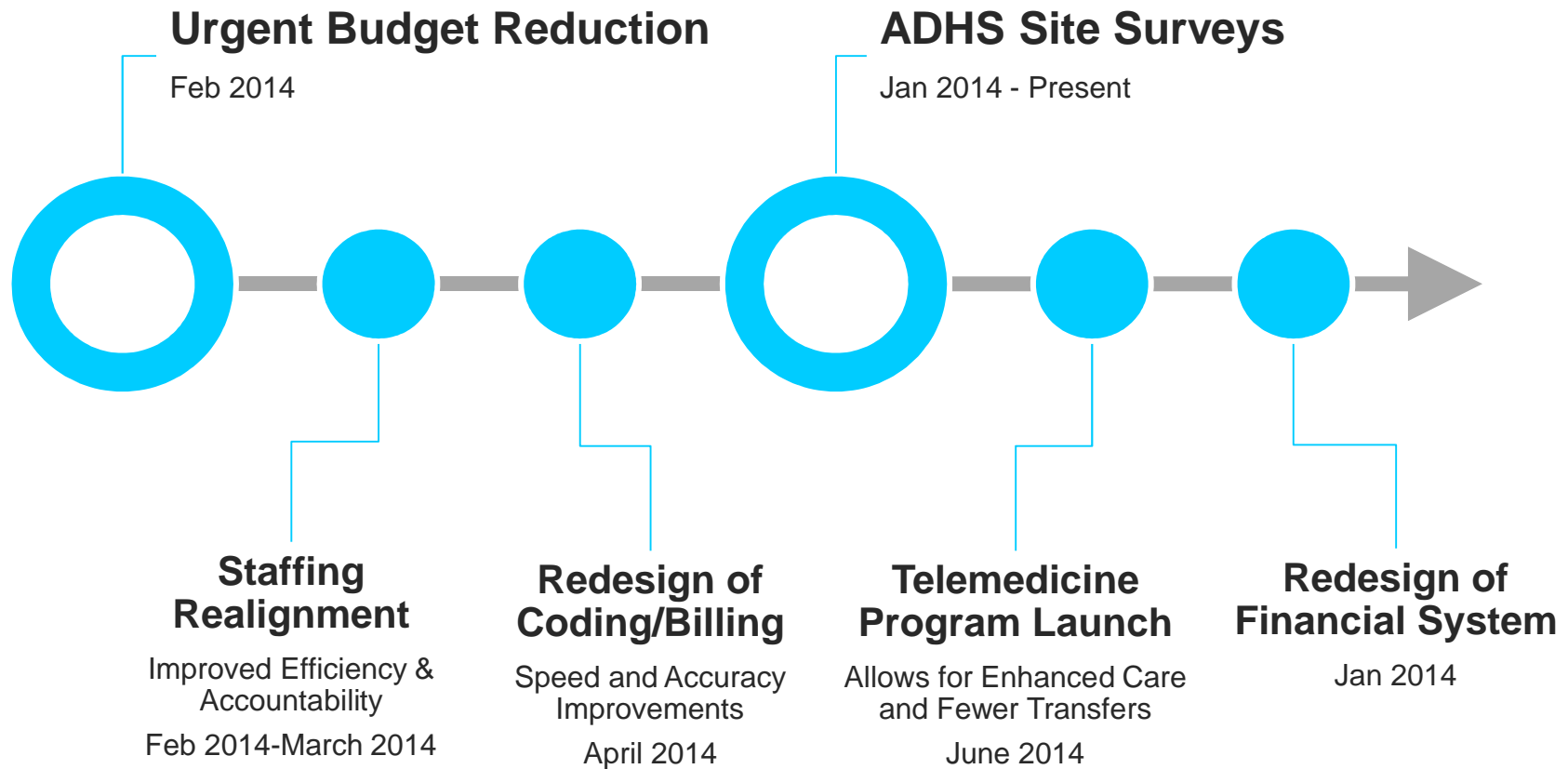
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Timeline



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Timeline



Leadership

Guiding the Hospital to a New Level of Service & Success



CRH Management Team

Roberta Berry

Director of Operations

Dago Quiroz, RN

Director of Nursing

Scott Anderson

Director of Radiology Services

Dora Coronado

Director of IT

Evelyn Arvizu

Director of Accounting

Dr. Steven Meeks

Medical Director

Maryam Tavakoli

Director of Pharmacy Services

Veronica Santiago

Director of Laboratory Services

Esther Nunez

Business Office Manager

PCH Management Team

Seth Guterman, MD FACEP
President

Christopher Alise
VP of Finance

Darien Cohen, MD JD
Chief Compliance Officer

Ricardo Perez
VP of Hospital Billing

Abeer Khouri
Director of Pharmacy Services

Luciano Fochesatto, MD
Chief Medical Officer

Lori Lehman
Director of Operations

Jorge Perez
VP of HIS Division

Rob Carpenter, DO MBA
Chief Technology Officer

John Ratko, RN EMT
Director of Nursing

Road Map

For the Turnaround Success of CRH



Operational Realignment

Resource Allocation
Billing/Coding Optimization
Staffing & Leadership



Infrastructure Investment

Clinical & Operational Technology
Diagnostic Equipment
Facility Upgrades & Expansion



Expansion of Clinical Services

Reduction of Patient Transfers
Volume & Variety of Diagnostic Tests
Volume & Variety of Procedures



ROADMAP TO TURNAROUND SUCCESS



Operational Realignment

Necessary to Correct Past
Patterns of Inefficiency



Operational Realignment

Resource Allocation

- Comprehensive Redesign of Budget to Remove Waste and find Cost Savings
- Renegotiation of Vendor Agreements
- Deploy Cost Savings Initiatives across All Departments
- Capitalize on All Available Government Programs and Incentives

Billing/Coding Optimization

- Real-Time Processing to Reduce Cashflow Delays
- Improved Reimbursement with EHR Documentation and Efficient Coding

Staffing & Leadership

- Promote from Within
- Remove Overlap of Roles
- Disconnect from those Unwilling or Unable to Accept Necessary Change
- Increased Accountability

Expanded Partnerships & Resources

- Hospital now Connected with Local, Regional, National Resources on a Scale previously Unavailable.

Expanded Partnerships

- **GE Healthcare** – Equipment and Financing
- **HCCI** – Cardiology Services
- **MLM Radiology** – Radiology Services
- **21st Century Telemedicine** – Physician Telemedicine Services
- **Southwest Emergency Medicine Physician Group** – New ED Group
- **HAN Capital** – Lending Resource
- **RGP Consulting** – Accounting Consultants

Infrastructure Investment

Necessary to Provide Patients with
Access to 21st Century Standards



Infrastructure Investment

Clinical & Operational Technology Investments

- EmpowerSystems ONC Certified Electronic Health Record
- EmpowerSystems Hospital Information System Suite of Products
- Improves Clinical and Operational Workflow for All Departments

Diagnostic Equipment Upgrades

- Partnership with GE and Financially Guaranteed by PCH
- CT Scan
- Telemetry System
- Mammography
- UltraSound
- Proteus X-Ray
- Heart Stress Tests Ultrasound
- Nuclear Medicine Imaging

Facility Upgrades & Expansion

- Cost-Effective, High Impact Renovations
- Pending Plans to Expand to New ED offering Private Rooms

Expansion of Services

Necessary to Serve the Needs
of the Local Community



Expansion of Clinical Services

Telemedicine Program

- Provides unparalleled access to physician specialists
- Elevates patient care
- Supports on-site physician decision-making
- Reduces of Patient Transfers for care that can now be provided on-site

Expansion of Clinical Services

Enhanced Physician Services

- Primary Care
- Hospitalists
- Emergency Medicine
- Cardiology
- Neurology
- Gastroenterology
- Obstetrics & Gynecology
- Psychiatry

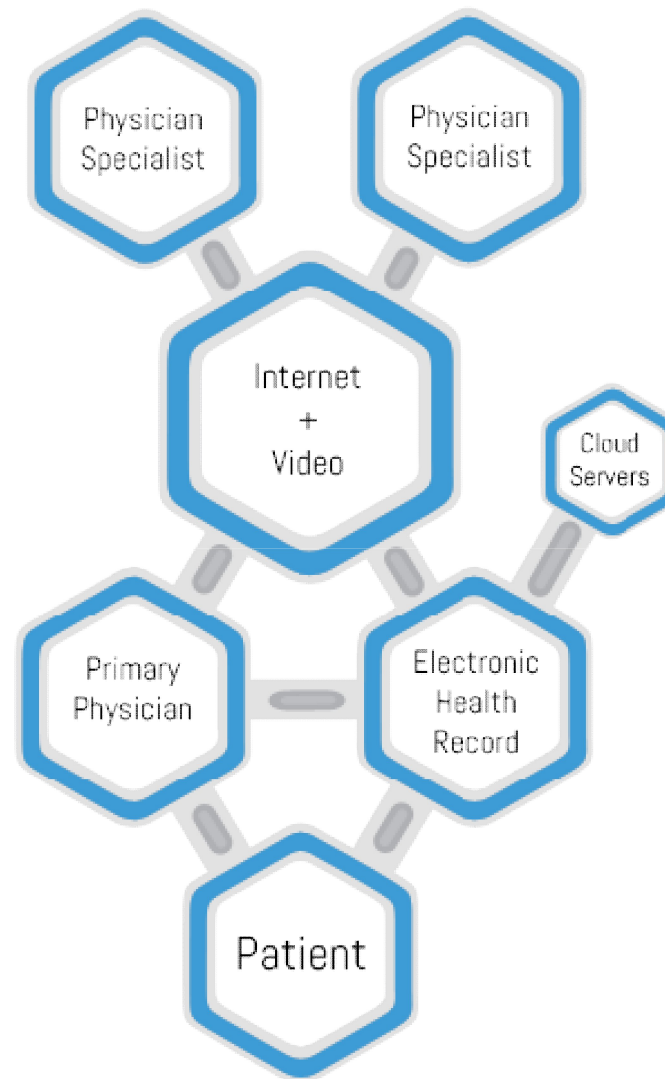
Expanded Hospital Services

- Heart Disease Screening
- Cancer Screening
- Infusion Therapy Center
- Physical Therapy
- Family Health
- Women's Health
- Preventative Health
- Pastoral Care





Telemedicine Workflow

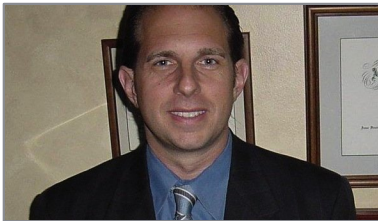


Physician Specialists

Providing Advanced Telemedicine
Services for Hospital Patients



Our Physicians



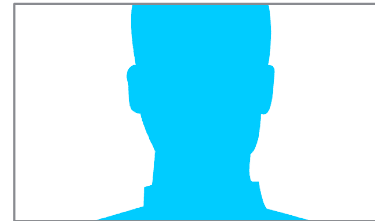
Dr. Guterman

Board Certified Emergency Medicine physician and president of PCH. Guides hospital initiatives and strategy with Dr. Fochesatto.



Dr. Fochesatto

Chief Medical Officer and skilled, Board Certified Hospitalist who monitors all aspects of patient care and hospital clinical operations both remotely and on-site.



Dr. Meeks

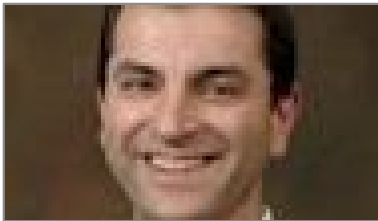
Experienced, Board Certified Emergency Medicine physician and Medical Director of CRH Emergency Department services. Dr. Meeks brings extensive knowledge and expertise to our facility.



Dr. Berkowitz

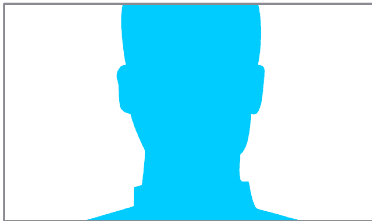
Experienced, Board Certified Psychiatrist oversees all aspects of the CRH Tele-Psychiatry program. His knowledge and bedside manner translate to positive experiences for his patients.

Our Physicians



Dr. Maragos

Skilled, Board Certified Cardiologist overseeing the Tele-Cardiology program at CRH and guiding expansion of new preventative health services.



Dr. Messing

Board Certified Radiologist whose group now provides radiological reading services and strategic recommendations on diagnostic equipment.



Dr. Dolehide

Skilled, Board Certified Gastroenterologist who will provide an important array of services on-site as well as Telemedicine consults remotely.



Dr. Stephens

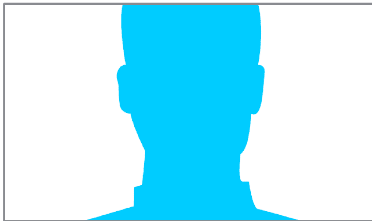
Experienced, Board Certified Neurologist who will guide the Tele-Neurology program at CRH and potential expansion efforts.

Our Physicians



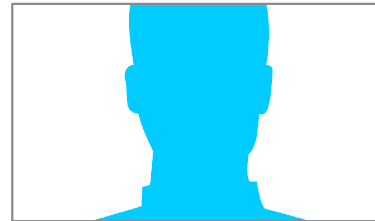
Dr. Bonvino

Well-known, Board Certified Pediatric specialist who will provide invaluable Telemedicine consulting services for the patients of Cochise Regional.



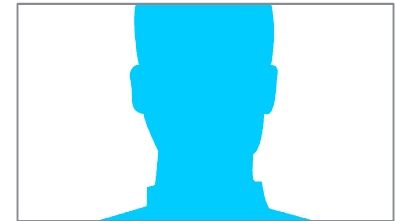
To Be Announced

The level of interest by PCH's network of Board Certified physicians is resounding. They recognize the unique opportunity to help patients via new technology tools.



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Financial State

Considerable Challenges & Encouraging Progress



Turnaround Results: Annual

Fiscal Year	Revenue	Expenses	Profit/Loss	Notes
2014-2015 FYTD	\$6,330,804.36	\$6,319,461.81	\$11,342.55	Represents comprehensive cost-cutting and improved collections which is a result of Telemedicine program launch, resolution of patient transfer protocol, and expansion of services.
2013-2014 FY	\$6,241,427.64	\$7,733,525.00	\$1,492,097.36	n/a

Turnaround Results: Monthly

Month	Deposits	Withdrawals	Profit/Loss
March	tbd	tbd	tbd
Feb	\$591,488.78	-\$586,732.53	\$4,756.25
Jan	\$456,834.79	-\$484,785.36	-\$27,950.57
Dec	\$750,485.69	-\$765,640.01	-\$15,154.32
Nov	\$559,833.08	-\$556,828.92	\$3,004.16
Oct	\$647,834.96	-\$653,028.74	-\$5,193.78
Sept	\$502,788.63	-\$455,720.94	\$47,067.69
Aug	\$372,610.80	-\$385,618.86	-\$13,008.06
July	\$852,557.69	-\$854,423.24	-\$1,865.55
June	\$378,064.59	-\$343,421.02	\$34,643.57
May	\$383,885.09	-\$369,237.32	\$14,647.77
April	\$834,420.26	-\$864,024.87	-\$29,604.61
	\$6,330,804.36	-\$6,319,461.81	\$11,342.55

PCH Financial Investment to Date

Date	Category	Detail	Amount
	Asset Purchase	Necessary to Exit Bankruptcy	\$600,000
	Cash Loans	Payroll Shortfalls	\$200,000
	Legal	Bankruptcy & Claim Resolution	\$300,000
	Consulting	Management Services	\$330,000
	Consulting	RN Consulting Services	\$100,000
	Equipment	Undewriting Guarantees	\$950,000
	Supplies	During Cashflow Shortfalls	\$100,000
	Renovations	Existing Departments & New	\$30,000
			\$2,280,000

Conclusion

1. Progress, Challenges, Outlook
2. Positive Patient Experiences
3. Cochise County Expectations
4. Ongoing Communication & Transparency
5. Remaining Questions/Comments



Reach Us

At Any Time



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